



# 2022 EARNINGS RESULTS

THIRD QUARTER 2022



# FORWARD-LOOKING STATEMENTS

This presentation contains statements concerning the company's future results and performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not limited to, with respect to: future cash dividends, dividend framework and target percentage return to shareholders of Adjusted Funds Available for Distribution (Adjusted FAD); our fourth quarter 2022 outlook and expectations concerning earnings and Adjusted EBITDA for each of our businesses and expected key drivers; and updates to our full-year 2022 outlook and expectations concerning: Adjusted EBITDA for, and basis for real estate sold in, our Real Estate and Energy and Natural Resources business; fee harvest volume; consolidated tax rate; interest expense; non-operating pension and post-employment expense and cash contribution; and capital expenditures. Forward-looking statements may be identified by our use of certain words in such statements, including without limitation words such as "expected," "outlook," and "targeted," and similar words and terms and phrases using such terms and words. They may use the positive, negative or another variation of those and similar words. These forward-looking statements are based on our current expectations and assumptions and are not guarantees of future events or performance. The realization of our expectations and the accuracy of our assumptions are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, without limitation: the effect of general economic conditions, including employment rates, interest rate levels, inflation, housing starts, general availability of financing for home mortgages and the relative strength of the U.S. dollar; the effect of COVID-19 and other viral or disease outbreaks, including but not limited to any related regulatory restrictions or requirements, and their potential effects on our business, results of operations, cash flows, financial condition and future prospects; market demand for the company's products, including market demand for our timberland properties with higher and better uses, which is related to, among other factors, the strength of the various U.S. business segments and U.S. and international economic conditions; changes in currency exchange rates, particularly the relative value of the U.S. dollar to the Japanese yen, the Chinese yuan, and the Canadian dollar, and the relative value of the euro to the yen; restrictions on international trade and tariffs imposed on imports or exports; the availability and cost of shipping and transportation; economic activity in Asia, especially Japan and China; performance of our manufacturing operations, including maintenance and capital requirements; potential disruptions in our manufacturing operations; the level of competition from domestic and foreign producers; the successful execution of our internal plans and strategic initiatives, including restructuring and cost reduction initiatives; our ability to hire and retain capable employees; the successful and timely execution and integration of our strategic acquisitions, including our ability to realize expected benefits and synergies, and the successful and timely execution of our strategic divestitures, each of which is subject to a number of risks and conditions beyond our control including, but not limited to, timing and required regulatory approvals or the occurrence of any event, change or other circumstances that could give rise to a termination of any acquisition or divestiture transaction under the terms of the governing transaction agreements; raw material availability and prices; the effect of weather; changes in global or regional climate conditions and governmental response to such changes; the risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters; energy prices; transportation and labor availability and costs; federal tax policies; the effect of forestry, land use, environmental and other governmental regulations; legal proceedings; performance of pension fund investments and related derivatives; the effect of timing of employee retirements as it relates to the cost of pension benefits and changes in the market price of our common stock on charges for share-based compensation; the accuracy of our estimates of costs and expenses related to contingent liabilities and the accuracy of our estimates of charges related to casualty losses; changes in accounting principles; and other risks and uncertainties identified in our 2021 Annual Report on Form 10-K, as well as those set forth from time to time in our other public statements, reports, registration statements, prospectuses, information statements and other filings with the SEC.

It is not possible to predict or identify all risks and uncertainties that might affect the accuracy of our forward-looking statements and, consequently, our descriptions of such risks and uncertainties should not be considered exhaustive. There is no guarantee that any of the events anticipated by these forward-looking statements will occur, and if any of the events do occur, there is no guarantee what effect they will have on the company's business, results of operations, cash flows, financial condition and future prospects.

Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Nothing on our website is intended to be included or incorporated by reference into, or made a part of, this presentation.

Also included in this presentation are certain non-GAAP financial measures, which management believes complement the financial information presented in accordance with U.S. generally accepted accounting principles. Management believes such non-GAAP measures may be useful to investors by providing helpful context in understanding the company's performance. Our non-GAAP financial measures may not be comparable to similarly named or captioned non-GAAP financial measures of other companies due to potential inconsistencies in how such measures are calculated. A reconciliation of each presented non-GAAP measure to its most directly comparable GAAP measure is provided in the appendices to this presentation.



# 2022 Q3 CONSOLIDATED RESULTS

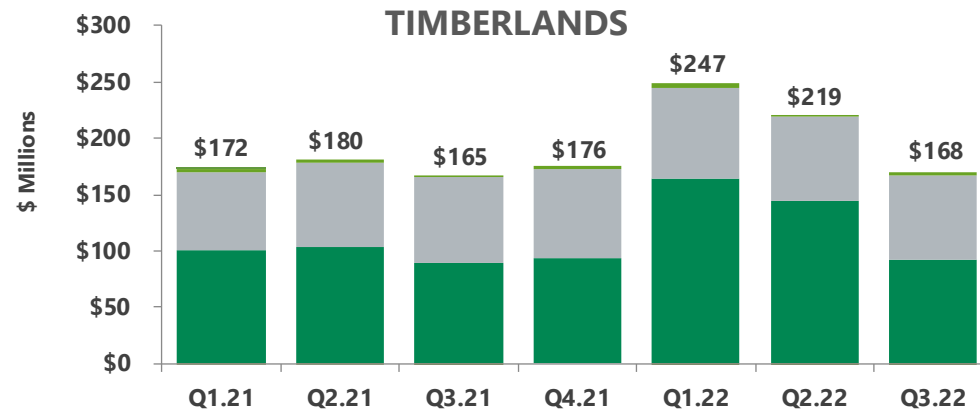
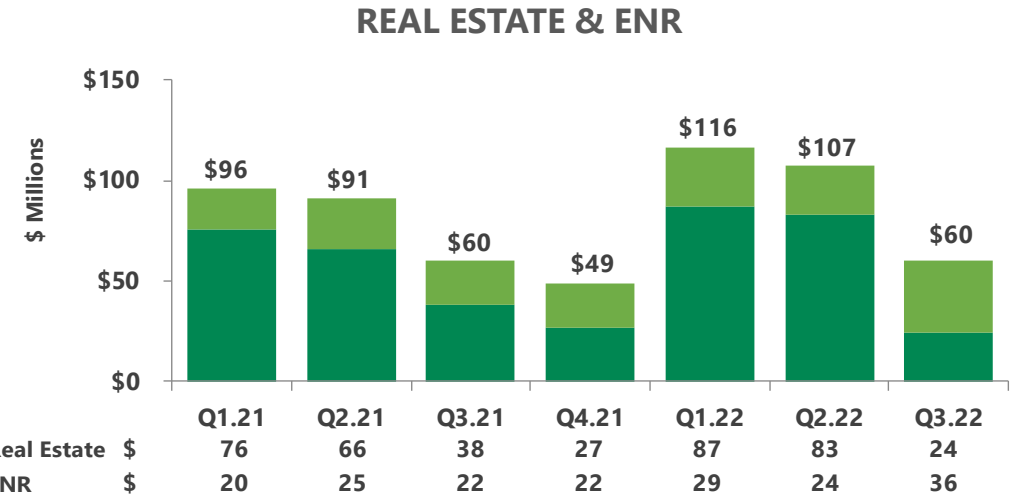
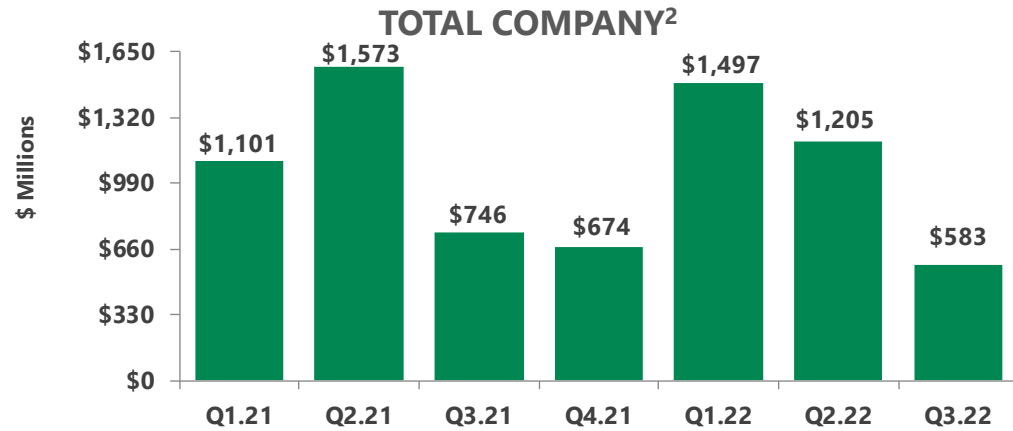
\$ Millions	2022		Change
	Q2	Q3	
<b>Adjusted EBITDA</b>			
Timberlands	\$ 219	\$ 168	\$ (51)
Real Estate, Energy & Natural Resources	107	60	(47)
Wood Products	912	395	(517)
Unallocated Items	(33)	(40)	(7)
<b>Total Adjusted EBITDA<sup>1</sup></b>	<b>\$ 1,205</b>	<b>\$ 583</b>	<b>\$ (622)</b>
Net Contribution to Earnings	\$ 1,037	\$ 454	\$ (583)

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 23](#).
2. Includes other operating costs, net; non-operating pension and other post-employment benefit costs; and interest income and other.
3. Interest expense is net of capitalized interest.

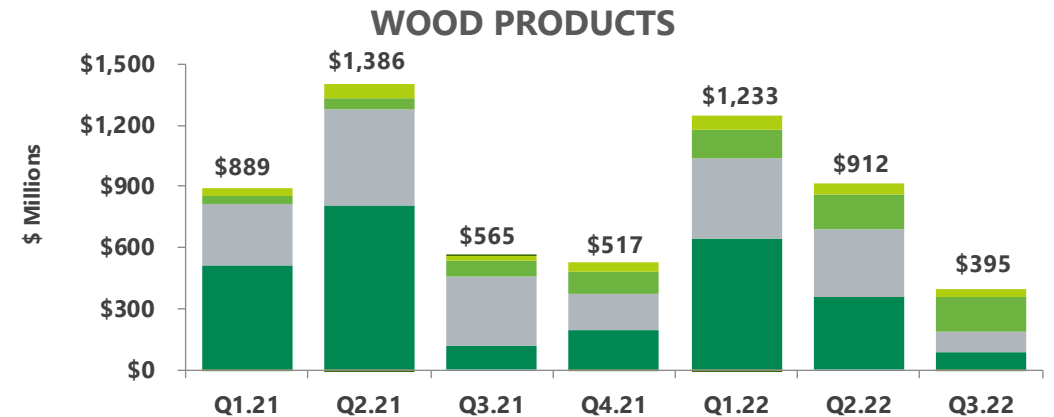
\$ Millions (except EPS)	2022	
	Q2	Q3
<b>Consolidated Statement of Operations</b>		
<b>Net sales</b>	<b>\$ 2,973</b>	<b>\$ 2,276</b>
Costs of sales	1,789	1,694
Gross margin	1,184	582
SG&A expenses	125	124
Other expense, net <sup>2</sup>	22	4
<b>Net Contribution to Earnings</b>	<b>\$ 1,037</b>	<b>\$ 454</b>
Interest expense, net <sup>3</sup>	(65)	(67)
Income taxes	(184)	(77)
<b>Net Earnings</b>	<b>\$ 788</b>	<b>\$ 310</b>
<b>Diluted EPS</b>	<b>\$ 1.06</b>	<b>\$ 0.42</b>



# ADJUSTED EBITDA<sup>1</sup>



	Q1.21	Q2.21	Q3.21	Q4.21	Q1.22	Q2.22	Q3.22
West	\$ 101	\$ 103	\$ 90	\$ 93	\$ 165	\$ 144	\$ 92
South	\$ 69	\$ 76	\$ 76	\$ 80	\$ 80	\$ 75	\$ 75
North	\$ 3	\$ 2	\$ 1	\$ 3	\$ 4	\$ 2	\$ 3
Other	\$ (1)	\$ (1)	\$ (2)	\$ —	\$ (2)	\$ (2)	\$ (2)



	Q1.21	Q2.21	Q3.21	Q4.21	Q1.22	Q2.22	Q3.22
Lumber	\$ 513	\$ 804	\$ 118	\$ 195	\$ 648	\$ 359	\$ 88
OSB	\$ 300	\$ 472	\$ 344	\$ 176	\$ 392	\$ 332	\$ 101
EWP	\$ 42	\$ 53	\$ 76	\$ 114	\$ 136	\$ 173	\$ 166
Distribution	\$ 39	\$ 75	\$ 22	\$ 40	\$ 72	\$ 48	\$ 41
Other	\$ (5)	\$ (18)	\$ 5	\$ (8)	\$ (15)	\$ —	\$ (1)

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 23](#), [Slide 24](#), [Slide 25](#), [Slide 26](#) and [Slide 27](#).  
 2. Total Company Adjusted EBITDA includes Timberlands; Real Estate, Energy & Natural Resources; Wood Products and Unallocated.

# TIMBERLANDS SEGMENT

TIMBERLANDS (\$ Millions)	2022	2022
<b>Adjusted EBITDA by Region</b>	<b>Q2</b>	<b>Q3</b>
West	\$ 144	\$ 92
South	75	75
North	2	3
Other	(2)	(2)
<b>Total Adjusted EBITDA<sup>1</sup></b>	<b>\$ 219</b>	<b>\$ 168</b>

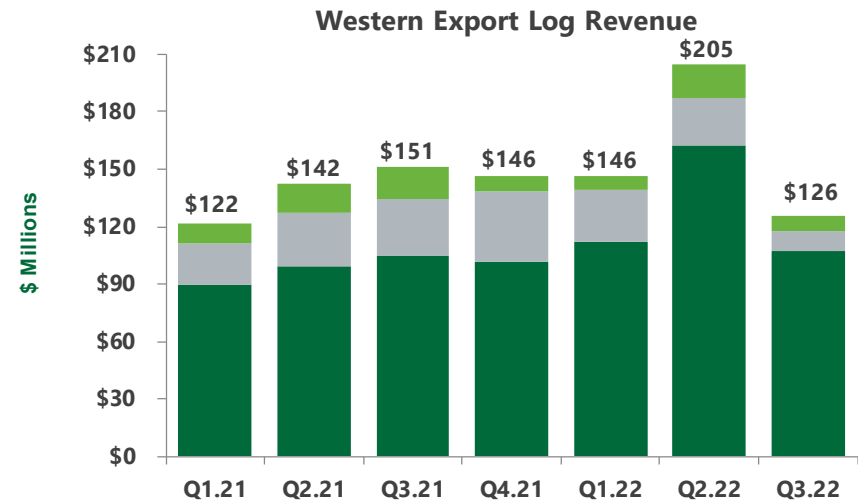
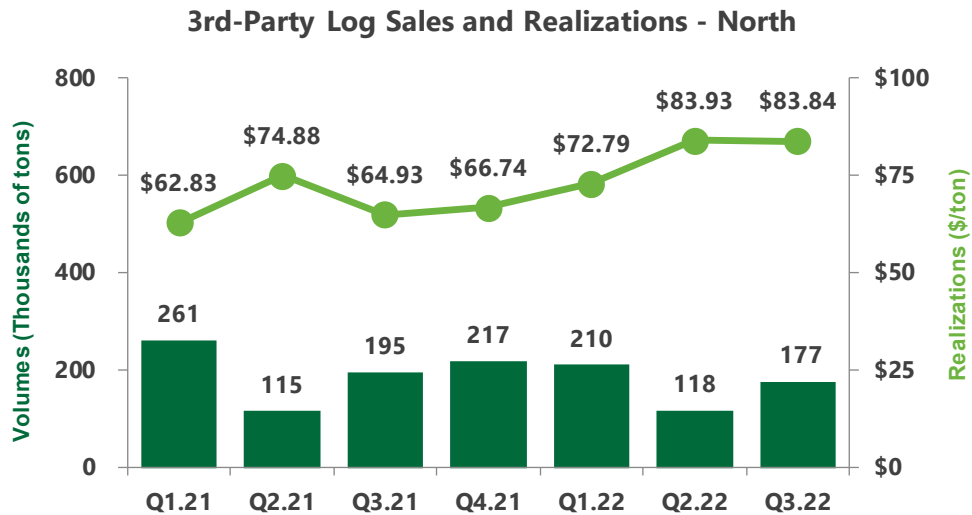
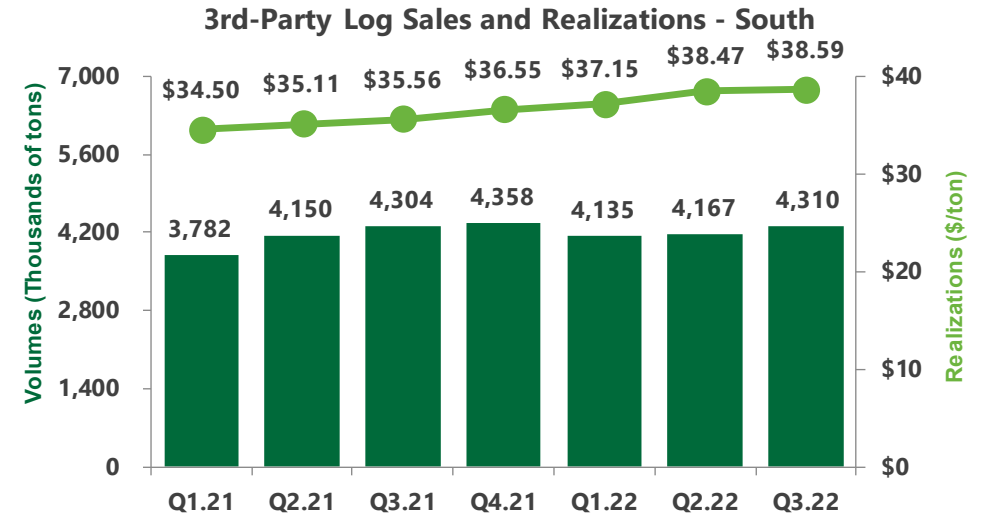
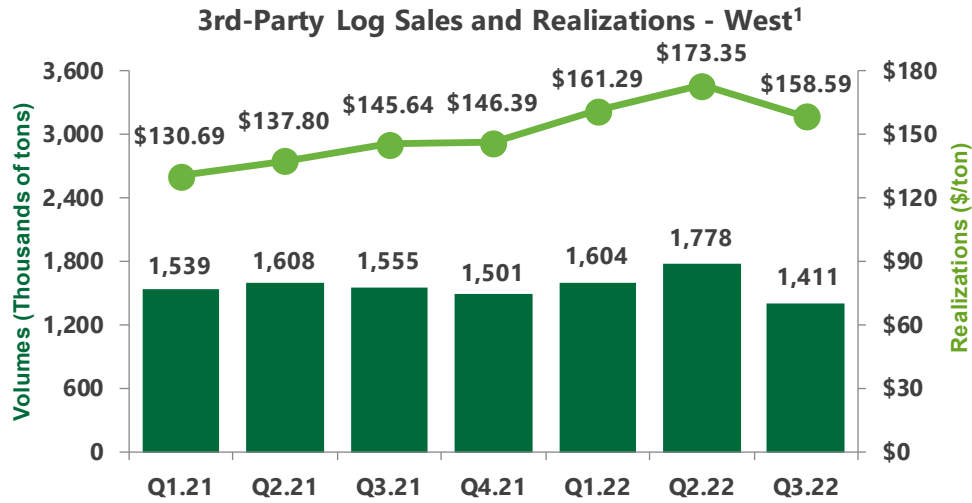
1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 24](#).
2. Adjusted EBITDA divided by total sales.
3. Net contribution to earnings divided by total sales.

TIMBERLANDS (\$ Millions)	2022	2022
<b>Segment Statement of Operations</b>	<b>Q2</b>	<b>Q3</b>
Third-party sales	\$ 515	\$ 441
Intersegment sales	156	133
<b>Total Sales</b>	<b>671</b>	<b>574</b>
Costs of sales	495	442
<b>Gross margin</b>	<b>176</b>	<b>132</b>
SG&A expenses	24	26
Other (income) expense, net	(1)	(1)
<b>Net Contribution to Earnings</b>	<b>\$ 153</b>	<b>\$ 107</b>
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$ 219</b>	<b>\$ 168</b>
<b>Adjusted EBITDA Margin Percentage<sup>2</sup></b>	<b>33%</b>	<b>29%</b>
<b>Operating Margin Percentage<sup>3</sup></b>	<b>23%</b>	<b>19%</b>

# TIMBERLANDS KEY DRIVERS: 2022 Q3 vs. 2022 Q2

REGION	KEY DRIVERS
WEST	<ul style="list-style-type: none"> <li>• <b>Fee Harvest Volumes:</b> Lower, work stoppage affected operations in September</li> <li>• <b>Sales Volumes:</b> Significantly lower, primarily for export, moderately lower for domestic</li> <li>• <b>Sales Realizations:</b> Significantly lower, resulting from reduced export sales volumes, comparable for domestic</li> <li>• <b>Per Unit Log and Haul Costs:</b> Lower</li> <li>• <b>Forestry and Road Costs:</b> Moderately higher, seasonal</li> </ul>
SOUTH	<ul style="list-style-type: none"> <li>• <b>Fee Harvest Volumes:</b> Comparable</li> <li>• <b>Sales Volumes:</b> Slightly higher</li> <li>• <b>Sales Realizations:</b> Comparable</li> <li>• <b>Per Unit Log and Haul Costs:</b> Comparable</li> <li>• <b>Forestry and Road Costs:</b> Moderately higher, seasonal</li> </ul>
NORTH	<ul style="list-style-type: none"> <li>• <b>Fee Harvest Volumes:</b> Significantly higher, seasonal increase in harvest activity</li> <li>• <b>Sales Realizations:</b> Comparable</li> </ul>

# SALES VOLUMES, REALIZATIONS AND EXPORT REVENUE

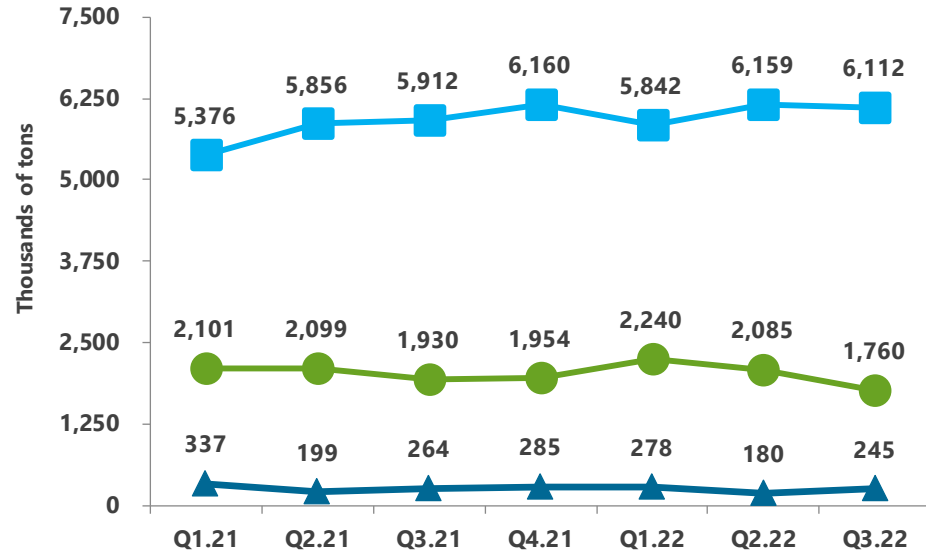


	Q1.21	Q2.21	Q3.21	Q4.21	Q1.22	Q2.22	Q3.22
Japan	74%	70%	70%	70%	77%	79%	85%
China	17%	20%	19%	25%	18%	12%	9%
Korea	9%	10%	11%	5%	5%	9%	6%

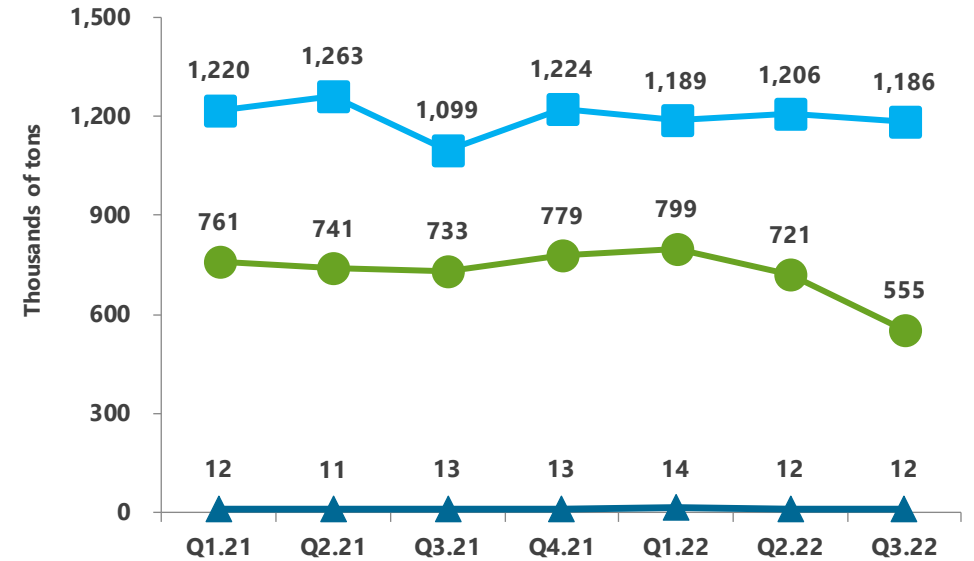
1. Western logs are primarily transacted in MBF but are converted to ton equivalents for external reporting purposes.

# FEE HARVEST VOLUMES AND INTERSEGMENT SALES VOLUMES

## FEE HARVEST VOLUMES



## INTERSEGMENT LOG SALES VOLUMES



■ South   
 ● West   
 ▲ North



# REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

REAL ESTATE & ENR (\$ Millions)	2022	2022
Adjusted EBITDA by Business	Q2	Q3
Real Estate	\$ 83	\$ 24
Energy & Natural Resources	24	36
<b>Total Adjusted EBITDA<sup>1</sup></b>	<b>\$ 107</b>	<b>\$ 60</b>

## KEY DRIVERS: 2022 Q3 vs. 2022 Q2

### Real Estate

Timing and mix of acres sold, activity weighted towards first half of 2022

### ENR

Increase in royalty income

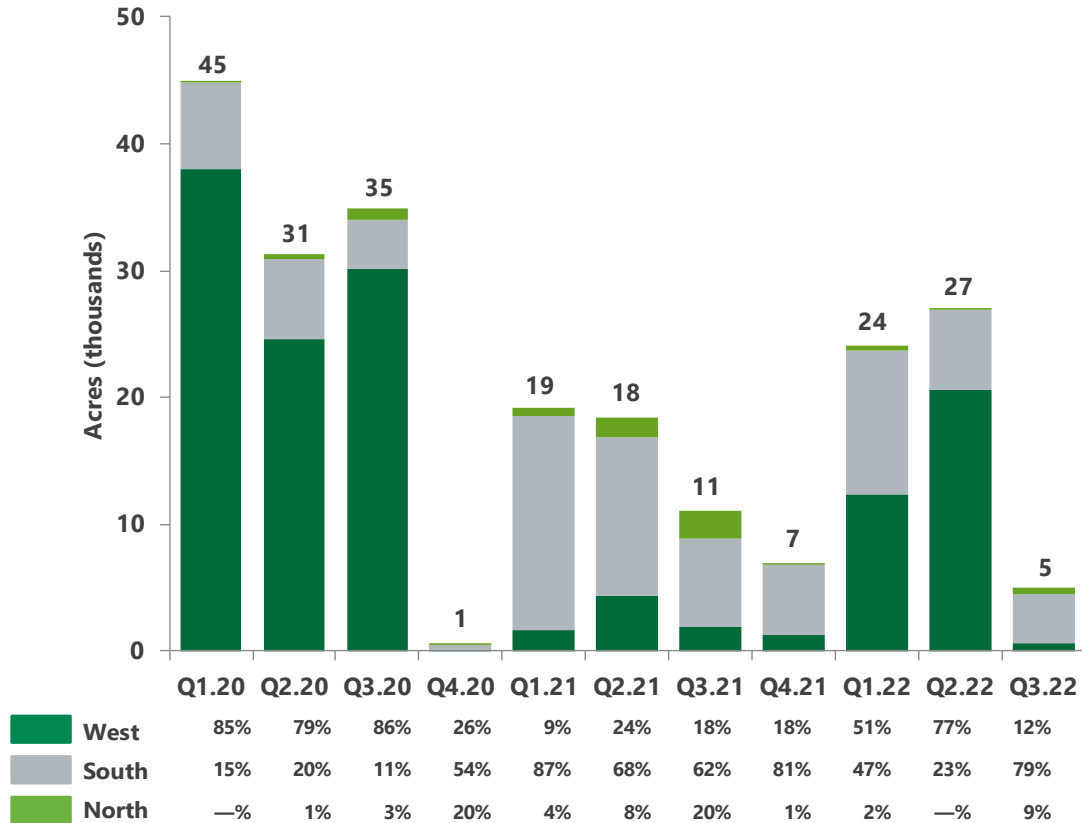
1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 25](#).

REAL ESTATE & ENR (\$ Millions)	2022	2022
Segment Statement of Operations	Q2	Q3
<b>Total sales</b>	<b>\$ 117</b>	<b>\$ 68</b>
Costs of sales	45	14
<b>Gross margin</b>	<b>72</b>	<b>54</b>
SG&A expenses	7	6
<b>Net Contribution to Earnings</b>	<b>\$ 65</b>	<b>\$ 48</b>
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$ 107</b>	<b>\$ 60</b>

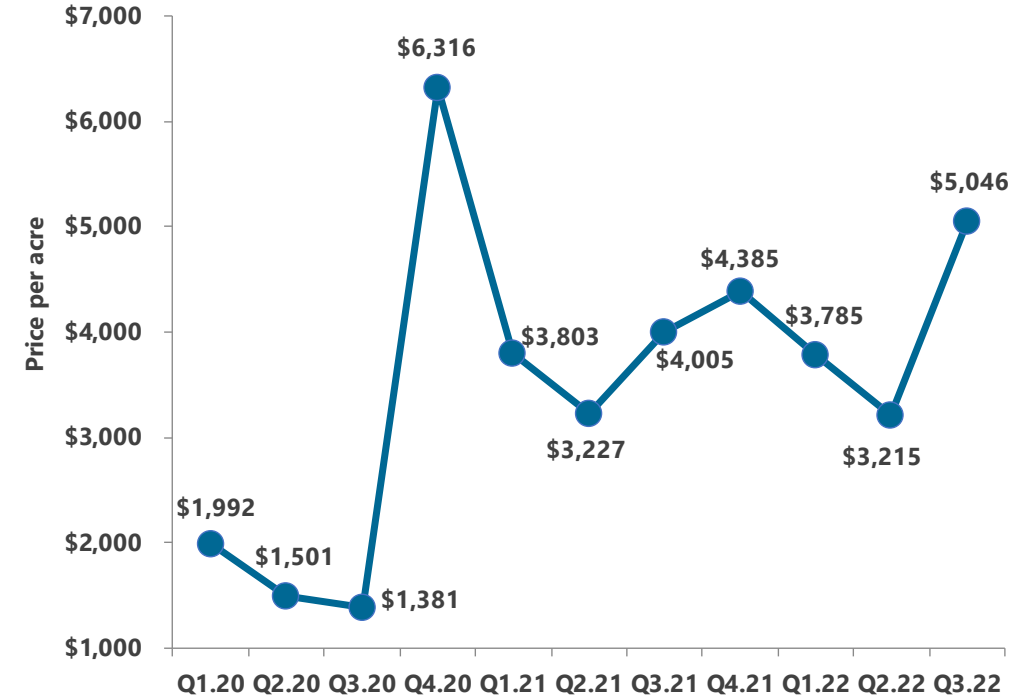


# REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

## ACRES SOLD



## AVERAGE PRICE PER ACRE



# WOOD PRODUCTS SEGMENT

WOOD PRODUCTS (\$ Millions)	2022	2022
Adjusted EBITDA by Business	Q2	Q3
Lumber	\$ 359	\$ 88
OSB	332	101
Engineered Wood Products	173	166
Distribution	48	41
Other	—	(1)
<b>Total Adjusted EBITDA<sup>1</sup></b>	<b>\$ 912</b>	<b>\$ 395</b>

- Adjusted EBITDA for Wood Products businesses include earnings on internal sales, primarily from the manufacturing businesses to Distribution. These sales occur at market price. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 26](#).
- Adjusted EBITDA divided by total sales.
- Net contribution to earnings divided by total sales.

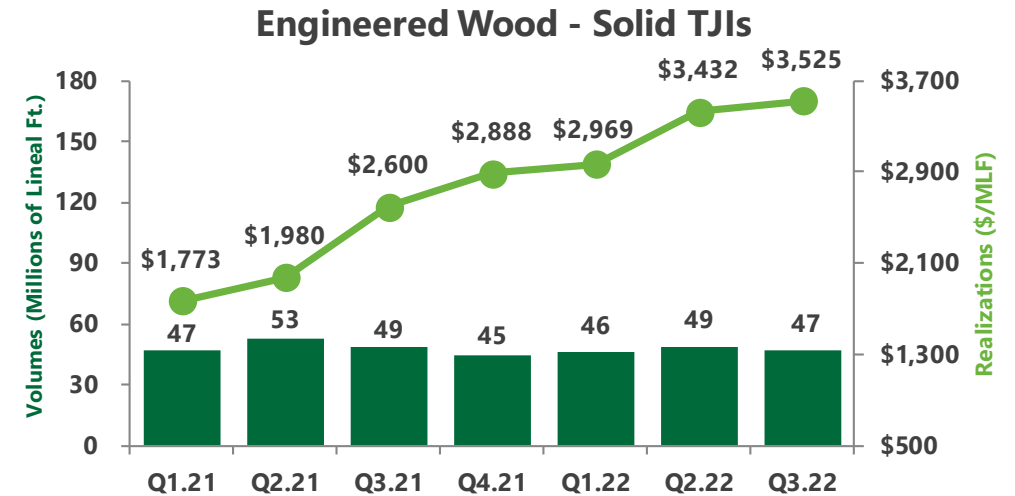
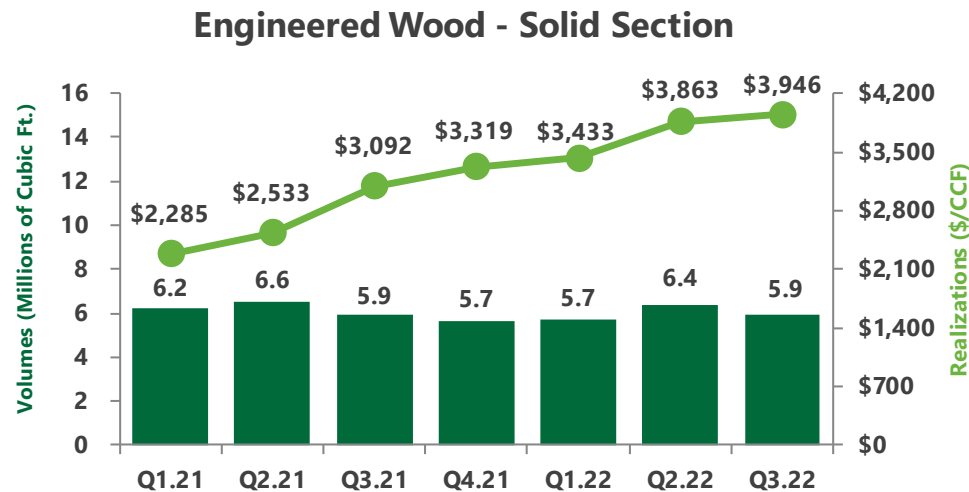
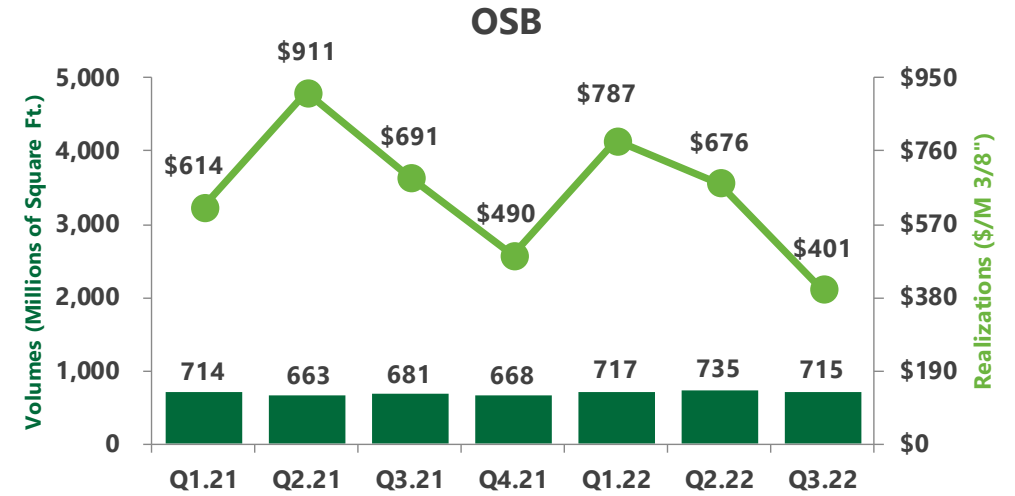
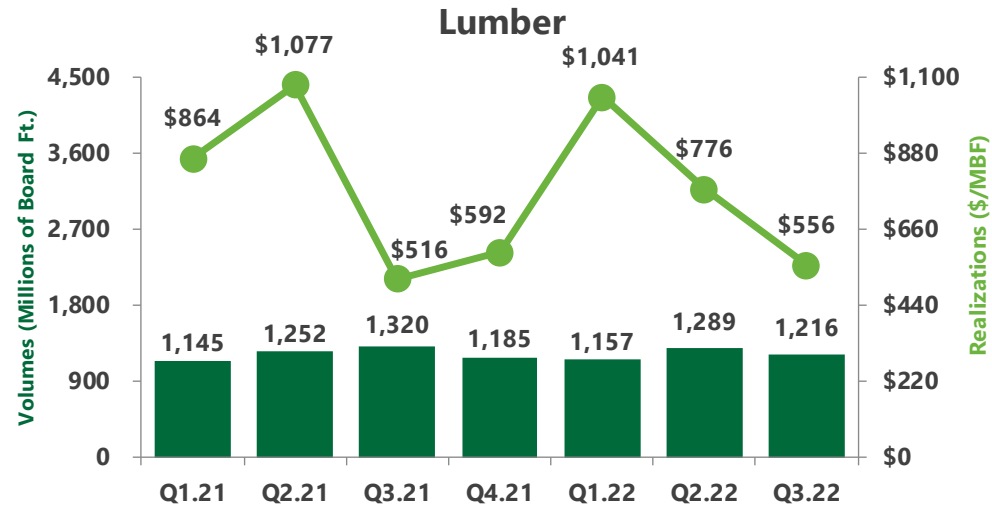
WOOD PRODUCTS (\$ Millions)	2022	2022
Segment Statement of Operations	Q2	Q3
<b>Total sales</b>	<b>\$ 2,341</b>	<b>\$ 1,767</b>
Costs of sales	1,414	1,360
<b>Gross margin</b>	<b>927</b>	<b>407</b>
SG&A expenses	56	58
Other expense, net	8	5
<b>Net Contribution to Earnings</b>	<b>\$ 863</b>	<b>\$ 344</b>
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$ 912</b>	<b>\$ 395</b>
<b>Adjusted EBITDA Margin Percentage<sup>2</sup></b>	<b>39%</b>	<b>22%</b>
<b>Operating Margin Percentage<sup>3</sup></b>	<b>37%</b>	<b>19%</b>



# WOOD PRODUCTS KEY DRIVERS: 2022 Q3 vs. 2022 Q2

BUSINESS	KEY DRIVERS
<b>LUMBER</b>	<ul style="list-style-type: none"> <li>• <b>Sales Realizations:</b> Decreased 28%</li> <li>• <b>Sales and Production Volumes:</b> Moderately lower, work stoppage affected Pacific Northwest mills in September</li> <li>• <b>Unit Manufacturing Costs:</b> Higher</li> <li>• <b>Log Costs:</b> Moderately lower</li> </ul>
<b>ORIENTED STRAND BOARD</b>	<ul style="list-style-type: none"> <li>• <b>Sales Realizations:</b> Decreased 41%</li> <li>• <b>Sales and Production Volumes:</b> Slightly lower, planned annual maintenance and transportation challenges in Canada</li> <li>• <b>Unit Manufacturing Costs:</b> Higher</li> <li>• <b>Fiber Costs:</b> Comparable</li> </ul>
<b>ENGINEERED WOOD PRODUCTS</b>	<ul style="list-style-type: none"> <li>• <b>Sales Realizations:</b> Higher for most products, significantly lower for plywood</li> <li>• <b>Sales and Production Volumes:</b> Lower for most products, planned annual maintenance, transportation challenges in Canada and labor constraints</li> <li>• <b>Unit Manufacturing Costs:</b> Higher</li> <li>• <b>Raw Material Costs:</b> Significantly lower, primarily for OSB webstock</li> </ul>
<b>DISTRIBUTION</b>	<ul style="list-style-type: none"> <li>• Lower sales volumes for EWP and specialty products</li> </ul>

# THIRD-PARTY SALES VOLUMES AND REALIZATIONS<sup>1</sup>



1. Sales volumes include sales of internally produced products and products purchased for resale primarily through our Distribution business.

# UNALLOCATED ITEMS

UNALLOCATED ITEMS (\$ Millions) <sup>1</sup>	2022	
	Q2	Q3
Unallocated corporate function expenses and variable compensation expense	\$ (36)	\$ (36)
Liability classified share-based compensation	2	2
Foreign exchange gains	3	9
Elimination of intersegment profit in inventory and LIFO	18	2
Non-operating pension and other post-employment benefit costs	(11)	(12)
Other, including interest income	(20)	(10)
<b>Net Charge to Earnings</b>	<b>\$ (44)</b>	<b>\$ (45)</b>
<b>Adjusted EBITDA<sup>2</sup></b>	<b>\$ (33)</b>	<b>\$ (40)</b>

UNALLOCATED ITEMS (\$ Millions) <sup>1</sup>	2022	
	Q2	Q3
Costs of sales <sup>3</sup>	\$ 9	\$ (11)
G&A expense <sup>4</sup>	(36)	(33)
Other expense, net	(17)	(1)
<b>Net Charge to Earnings</b>	<b>\$ (44)</b>	<b>\$ (45)</b>

1. Unallocated items are gains or charges not related to or allocated to an individual operating segment.
2. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 27](#).
3. Costs of sales is composed primarily of elimination of intersegment profit in inventory and LIFO and incentive compensation.
4. G&A expense is comprised primarily of share-based compensation, pension service costs, corporate function expenses and incentive compensation.



# FINANCIAL ITEMS

KEY FINANCIAL METRICS (\$ Millions)	2022	
	Q2	Q3
Ending Cash Balance	\$ 1,723	\$ 1,920
Total Debt	\$ 5,053	\$ 5,053
Net Debt to Adjusted EBITDA (LTM) <sup>1</sup>	0.8	0.8
Net Debt to Enterprise Value <sup>2</sup>	12%	13%

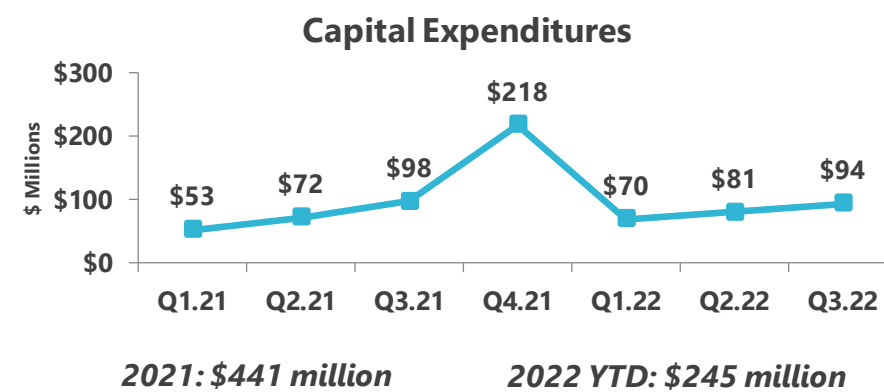
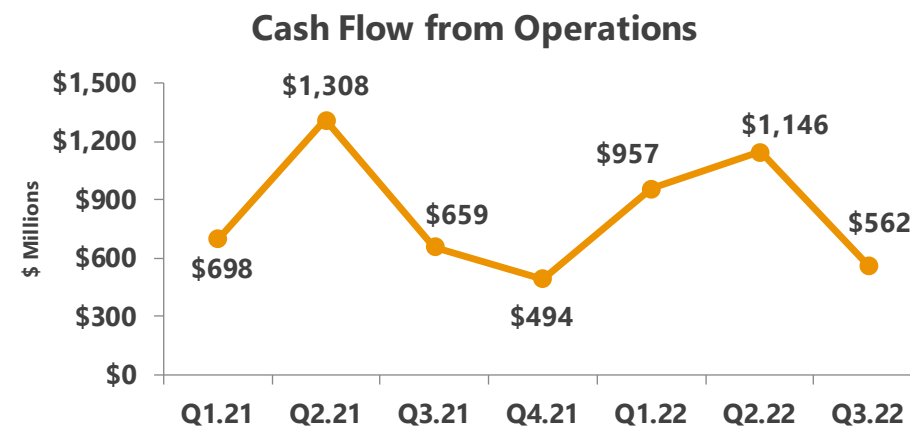
## Share Repurchases

(\$ Millions)	2022	
	Q2	Q3
Share Repurchases <sup>3</sup>	\$ 138	\$ 145

## Scheduled Debt Maturities as of September 30, 2022

(\$ Millions)	2022	2023	2024	2025	2026
Debt Maturities	\$ —	\$ 978	\$ —	\$ 210	\$ 272

1. LTM = last twelve months. A reconciliation to GAAP is set forth on [Slide 28](#).
2. Total debt, net of cash and cash equivalents, divided by enterprise value. Enterprise value is defined as total debt, net of cash and cash equivalents, plus market capitalization as of the end of the quarter.
3. Average price paid per share for second quarter 2022 and third quarter 2022 were \$36.23 and \$34.29, respectively. As of September 30, 2022, there were 64,135 unsettled shares (approximately \$2 million). There were no unsettled shares as of June 30, 2022.



# ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION

## Allocation Framework and Cash Return Calculation

### ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION<sup>1</sup> ALLOCATION FRAMEWORK

Return 75-80% of Adj. FAD to Shareholders



#### SUSTAINABLE BASE DIVIDEND

supported by Timberlands and Real Estate & ENR cash flow, even at bottom of the cycle



#### SUPPLEMENTAL DIVIDEND<sup>2</sup> AND/OR SHARE REPURCHASE

to achieve targeted return of 75-80% of annual Adjusted FAD

20-25% of Adj. FAD



#### EXCESS CASH

available for growth, debt paydown and additional share repurchase

### TARGETED RETURN OF CASH TO SHAREHOLDERS

Calculated on an Annual Basis

#### Adjusted FAD



75-80% Payout



Targeted Return to Shareholders



Quarterly Base Cash Dividends



Cash Available for Allocation Between  
Supplemental Dividend<sup>2</sup> and/or  
Opportunistic Share Repurchase

To Achieve  
75-80%  
Payout

1. Our definition of Adjusted funds available for distribution (Adjusted FAD) is set forth on [Slide 29](#).
2. Normally declared and paid annually in the first quarter, based on prior year results.





# ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION<sup>1</sup>




## Cash Return To Shareholders Update

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION (\$ Millions)	2022	
	Q3	Q3 YTD
Net Cash from Operations	\$ 562	\$ 2,665
Capital Expenditures <sup>2</sup>	(94)	(245)
Adjustments to FAD <sup>3</sup>	—	(37)
<b>2022 Q3 Adjusted Funds Available for Distribution</b>	<b>\$ 468</b>	<b>\$ 2,383</b>

1. Our definition of Adjusted funds available for distribution (Adjusted FAD) and a reconciliation to GAAP are set forth on [Slide 29](#).
2. We anticipate our capital expenditures for 2022 will be \$460 million.
3. Adjustments to FAD include a \$37 million product remediation insurance recovery received in first quarter 2022.
4. Expected to be declared and paid in first quarter 2023, based on full year 2022 results.

### TARGETED RETURN OF CASH TO SHAREHOLDERS

*Based on 2022 Q3 YTD Results and Activity*

	\$ MM
<b>2022 Q3 YTD Adjusted FAD</b>	<b>\$2,383</b>
 <b>Midpoint of 75-80% Payout</b>	<b>\$1,847</b>
 <b>2022 Q3 YTD Base Cash Dividends</b>	<b>(\$401)</b>
 <b>Cash Available for Allocation Between Supplemental Dividend<sup>4</sup> and/or Opportunistic Share Repurchase</b>	

**To Achieve  
75-80%  
Payout**



# 2022 Q4 OUTLOOK

SEGMENT	EXPECTED EARNINGS <sup>1</sup> & ADJUSTED EBITDA	KEY DRIVERS		
TIMBERLANDS	Significantly lower than 2022 Q3	<b>West</b> <b>Fee Harvest and Sales Volumes:</b> Lower <sup>2</sup> <b>Sales Realizations:</b> Significantly lower <b>Per Unit Log and Haul Costs:</b> Lower <b>Forestry and Road Costs:</b> Significantly lower, seasonal	<b>South</b> <b>Fee Harvest Volumes:</b> Slightly higher <b>Sales Realizations:</b> Comparable <b>Per Unit Log and Haul Costs:</b> Comparable <b>Forestry and Road Costs:</b> Slightly higher	<b>North</b> <b>Fee Harvest Volumes:</b> Moderately higher <b>Sales Realizations:</b> Significantly lower
REAL ESTATE, ENERGY & NATURAL RESOURCES	Lower than 2022 Q3	Timing and mix of sales in Real Estate and lower royalty income in ENR Continue to expect full year 2022 Adjusted EBITDA of approximately \$325MM Basis as a percentage of real estate sales now expected to be 35 to 40 percent for the full year		
WOOD PRODUCTS	Lower than 2022 Q3, excluding the effect of changes in average sales realizations for lumber and OSB	<b>Lumber</b> <b>Sales Volumes:</b> Lower <sup>2</sup> <b>Log Costs:</b> Significantly lower <b>Unit Mfg. Costs:</b> Comparable	<b>OSB</b> <b>Sales Volumes:</b> Slightly higher <b>Fiber Costs:</b> Comparable <b>Unit Mfg. Costs:</b> Significantly lower	<b>Engineered Wood Products</b> <b>Sales Realizations:</b> Lower <b>Sales Volumes:</b> Lower for most products <b>Raw Material Costs:</b> Significantly lower, primarily for OSB webstock <b>Distribution</b> Lower volumes and realizations for most products



1. Earnings before special items.

2. Outlook reflects impacts from work stoppage.

# 2022 OUTLOOK: UPDATE

DRIVER	UPDATED 2022 OUTLOOK	PRIOR 2022 OUTLOOK
FEE HARVEST VOLUME	<p>Approximately 33 million tons</p> <ul style="list-style-type: none"> <li>• South: Slightly higher than 2021</li> <li>• West: Slightly lower than 2021</li> <li>• North: <i>Unchanged</i></li> </ul>	<p>Approximately 34.5 million tons</p> <ul style="list-style-type: none"> <li>• South: Moderately higher than 2021</li> <li>• West: Slightly higher than 2021</li> <li>• North: Moderately lower than 2021</li> </ul>
REAL ESTATE & ENR ADJUSTED EBITDA	<i>Unchanged</i>	\$325 million
BASIS OF REAL ESTATE SOLD	35-40% of Real Estate sales	30-40% of Real Estate sales
INTEREST EXPENSE	<i>Unchanged</i>	\$275 million
CONSOLIDATED TAX RATE	<i>Unchanged</i>	19-23% expense, excluding special items
CASH TAXES	<i>Unchanged</i>	Comparable to overall tax expense
NON-OPERATING PENSION AND POST-EMPLOYMENT EXPENSE	Approximately \$50 million, noncash	\$50-\$55 million, noncash
CASH CONTRIBUTION FOR PENSION AND POST-EMPLOYMENT PLANS	<i>Unchanged</i>	Approximately \$30 million
CAPITAL EXPENDITURES	<i>Unchanged</i>	\$460 million

# WOOD PRODUCTS SALES REALIZATIONS: CURRENT VS. 2022 Q3

WEYERHAEUSER'S AVERAGE SALES REALIZATIONS			
Approximate Change As of October 21, 2022			
<b>LUMBER<sup>1</sup></b> 	Q4 QTD vs. Q3 AVERAGE	-\$50/MBF LOWER	<b>WY's SENSITIVITY</b> CHANGE IN REALIZATIONS <b>\$10/MBF</b> ≈ \$50 million EBITDA ANNUALLY
	CURRENT vs. Q3 AVERAGE	-\$50/MBF LOWER	
<b>OSB<sup>2</sup></b> 	Q4 QTD vs. Q3 AVERAGE	-\$45/MSF LOWER	<b>WY's SENSITIVITY</b> CHANGE IN REALIZATIONS <b>\$10/MSF</b> ≈ \$30 million EBITDA ANNUALLY
	CURRENT vs. Q3 AVERAGE	-\$45/MSF LOWER	

1. Changes in average realizations typically lag changes in industry benchmark pricing due to length of order files.

2. WY reports OSB realizations in MSF 3/8". Changes in average realizations typically lag changes in industry benchmark pricing due to length of order files.

# EARNINGS SUMMARY

\$ Millions (except EPS)	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Adjusted EBITDA by Segment</b>							
Timberlands	\$ 172	\$ 180	\$ 165	\$ 176	\$ 247	\$ 219	\$ 168
Real Estate, Energy & Natural Resources	96	91	60	49	116	107	60
Wood Products	889	1,386	565	517	1,233	912	395
Unallocated Items	(56)	(84)	(44)	(68)	(99)	(33)	(40)
<b>Total Adjusted EBITDA<sup>1</sup></b>	<b>\$ 1,101</b>	<b>\$ 1,573</b>	<b>\$ 746</b>	<b>\$ 674</b>	<b>\$ 1,497</b>	<b>\$ 1,205</b>	<b>\$ 583</b>
DD&A, basis of real estate sold, non-operating pension and post-employment costs, and interest income and other	(152)	(143)	(133)	(134)	(169)	(168)	(129)
<b>Net Contribution to Earnings Before Special Items</b>	<b>\$ 949</b>	<b>\$ 1,430</b>	<b>\$ 613</b>	<b>\$ 540</b>	<b>\$ 1,328</b>	<b>\$ 1,037</b>	<b>\$ 454</b>
Interest expense, net	(79)	(78)	(79)	(77)	(72)	(65)	(67)
Income taxes <sup>2</sup>	(189)	(324)	(84)	(96)	(278)	(184)	(77)
<b>Net Earnings Before Special Items<sup>3</sup></b>	<b>\$ 681</b>	<b>\$ 1,028</b>	<b>\$ 450</b>	<b>\$ 367</b>	<b>\$ 978</b>	<b>\$ 788</b>	<b>\$ 310</b>
Special items, after-tax <sup>2</sup>	—	—	32	49	(207)	—	—
<b>Net Earnings</b>	<b>\$ 681</b>	<b>\$ 1,028</b>	<b>\$ 482</b>	<b>\$ 416</b>	<b>\$ 771</b>	<b>\$ 788</b>	<b>\$ 310</b>
<b>Diluted EPS Before Special Items<sup>3</sup></b>	<b>\$ 0.91</b>	<b>\$ 1.37</b>	<b>\$ 0.60</b>	<b>\$ 0.49</b>	<b>\$ 1.31</b>	<b>\$ 1.06</b>	<b>\$ 0.42</b>
<b>Diluted EPS</b>	<b>\$ 0.91</b>	<b>\$ 1.37</b>	<b>\$ 0.64</b>	<b>\$ 0.55</b>	<b>\$ 1.03</b>	<b>\$ 1.06</b>	<b>\$ 0.42</b>

1. See [Slide 23](#) for our definition of Adjusted EBITDA.
2. Income taxes excludes taxes related to special items.
3. A reconciliation to GAAP EPS is set forth on [Slide 22](#).

# EARNINGS PER SHARE RECONCILIATION

	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Diluted EPS Before Special Items</b>	<b>\$ 0.91</b>	<b>\$ 1.37</b>	<b>\$ 0.60</b>	<b>\$ 0.49</b>	<b>\$ 1.31</b>	<b>\$ 1.06</b>	<b>\$ 0.42</b>
Special Items:							
Loss on debt extinguishment	—	—	—	—	(0.28)	—	—
Legal benefit	—	—	—	0.01	—	—	—
Product remediation recovery	—	—	—	0.04	—	—	—
Gain on sale of timberlands	—	—	0.04	—	—	—	—
Insurance recovery	—	—	—	0.01	—	—	—
<b>Diluted EPS (GAAP)</b>	<b>\$ 0.91</b>	<b>\$ 1.37</b>	<b>\$ 0.64</b>	<b>\$ 0.55</b>	<b>\$ 1.03</b>	<b>\$ 1.06</b>	<b>\$ 0.42</b>

# ADJUSTED EBITDA RECONCILIATION

## By Segment

\$ Millions	2019		2020		2021				2022			
	FY	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	LTM <sup>1</sup>	
Timberlands	\$ 680	\$ 610	\$ 172	\$ 180	\$ 165	\$ 176	\$ 693	\$ 247	\$ 219	\$ 168	\$ 810	
Real Estate & ENR	274	241	96	91	60	49	296	116	107	60	332	
Wood Products	476	1,527	889	1,386	565	517	3,357	1,233	912	395	3,057	
Unallocated Items	(154)	(177)	(56)	(84)	(44)	(68)	(252)	(99)	(33)	(40)	(240)	
<b>Adjusted EBITDA<sup>2</sup></b>	<b>\$ 1,276</b>	<b>\$ 2,201</b>	<b>\$ 1,101</b>	<b>\$ 1,573</b>	<b>\$ 746</b>	<b>\$ 674</b>	<b>\$ 4,094</b>	<b>\$ 1,497</b>	<b>\$ 1,205</b>	<b>\$ 583</b>	<b>\$ 3,959</b>	
Depletion, depreciation & amortization	(510)	(472)	(118)	(120)	(118)	(121)	(477)	(122)	(119)	(119)	(481)	
Basis of real estate sold	(116)	(141)	(27)	(24)	(11)	(9)	(71)	(31)	(39)	(7)	(86)	
Special items in operating income	1	122	—	—	32	65	97	—	—	—	65	
<b>Operating Income (GAAP)</b>	<b>\$ 651</b>	<b>\$ 1,710</b>	<b>\$ 956</b>	<b>\$ 1,429</b>	<b>\$ 649</b>	<b>\$ 609</b>	<b>\$ 3,643</b>	<b>\$ 1,344</b>	<b>\$ 1,047</b>	<b>\$ 457</b>	<b>\$ 3,457</b>	
Non-operating pension and other post-employment benefit costs	(516)	(290)	(8)	(1)	(5)	(5)	(19)	(15)	(11)	(12)	(43)	
Interest income and other	30	5	1	2	1	1	5	(1)	1	9	10	
<b>Net Contribution to Earnings</b>	<b>\$ 165</b>	<b>\$ 1,425</b>	<b>\$ 949</b>	<b>\$ 1,430</b>	<b>\$ 645</b>	<b>\$ 605</b>	<b>\$ 3,629</b>	<b>\$ 1,328</b>	<b>\$ 1,037</b>	<b>\$ 454</b>	<b>\$ 3,424</b>	
Interest expense, net	(369)	(351)	(79)	(78)	(79)	(77)	(313)	(72)	(65)	(67)	(281)	
Loss on debt extinguishment	(9)	(92)	—	—	—	—	—	(276)	—	—	(276)	
Income taxes	137	(185)	(189)	(324)	(84)	(112)	(709)	(209)	(184)	(77)	(582)	
<b>Net Earnings (Loss) (GAAP)</b>	<b>\$ (76)</b>	<b>\$ 797</b>	<b>\$ 681</b>	<b>\$ 1,028</b>	<b>\$ 482</b>	<b>\$ 416</b>	<b>\$ 2,607</b>	<b>\$ 771</b>	<b>\$ 788</b>	<b>\$ 310</b>	<b>\$ 2,285</b>	

1. LTM = last twelve months.

2. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

# ADJUSTED EBITDA RECONCILIATION

## Timberlands

\$ Millions	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
West	\$ 101	\$ 103	\$ 90	\$ 93	\$ 165	\$ 144	\$ 92
South	69	76	76	80	80	75	75
North	3	2	1	3	4	2	3
Other	(1)	(1)	(2)	—	(2)	(2)	(2)
<b>Total Timberlands Adjusted EBITDA<sup>1</sup></b>	<b>\$ 172</b>	<b>\$ 180</b>	<b>\$ 165</b>	<b>\$ 176</b>	<b>\$ 247</b>	<b>\$ 219</b>	<b>\$ 168</b>
West	(28)	(28)	(24)	(25)	(28)	(26)	(24)
South	(34)	(37)	(38)	(38)	(35)	(37)	(36)
North	(2)	(2)	(2)	(2)	(2)	(2)	(1)
Other	—	—	—	(1)	—	(1)	—
Total depletion, depreciation & amortization	\$ (64)	\$ (67)	\$ (64)	\$ (66)	\$ (65)	\$ (66)	\$ (61)
Special items	—	—	32	—	—	—	—
<b>Operating Income and Net Contribution to Earnings (GAAP)</b>	<b>\$ 108</b>	<b>\$ 113</b>	<b>\$ 133</b>	<b>\$ 110</b>	<b>\$ 182</b>	<b>\$ 153</b>	<b>\$ 107</b>

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.



# ADJUSTED EBITDA RECONCILIATION

## Real Estate, Energy & Natural Resources

\$ Millions	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Real Estate	\$ 76	\$ 66	\$ 38	\$ 27	\$ 87	\$ 83	\$ 24
Energy & Natural Resources	20	25	22	22	29	24	36
<b>Total Real Estate &amp; ENR Adjusted EBITDA<sup>1</sup></b>	<b>\$ 96</b>	<b>\$ 91</b>	<b>\$ 60</b>	<b>\$ 49</b>	<b>\$ 116</b>	<b>\$ 107</b>	<b>\$ 60</b>
Depletion, depreciation & amortization	(3)	(4)	(4)	(4)	(4)	(3)	(5)
Basis of real estate sold	(27)	(24)	(11)	(9)	(31)	(39)	(7)
<b>Operating Income and Net Contribution to Earnings (GAAP)</b>	<b>\$ 66</b>	<b>\$ 63</b>	<b>\$ 45</b>	<b>\$ 36</b>	<b>\$ 81</b>	<b>\$ 65</b>	<b>\$ 48</b>

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

# ADJUSTED EBITDA RECONCILIATION

## Wood Products

\$ Millions	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Lumber	\$ 513	\$ 804	\$ 118	\$ 195	\$ 648	\$ 359	\$ 88
OSB	300	472	344	176	392	332	101
EWP	42	53	76	114	136	173	166
Distribution	39	75	22	40	72	48	41
Other	(5)	(18)	5	(8)	(15)	—	(1)
<b>Total Wood Products Adjusted EBITDA<sup>1, 2</sup></b>	<b>\$ 889</b>	<b>\$ 1,386</b>	<b>\$ 565</b>	<b>\$ 517</b>	<b>\$ 1,233</b>	<b>\$ 912</b>	<b>\$ 395</b>
Lumber	(28)	(28)	(26)	(30)	(28)	(27)	(28)
OSB	(8)	(9)	(8)	(9)	(9)	(10)	(10)
EWP	(10)	(9)	(10)	(9)	(10)	(9)	(10)
Distribution	(1)	(1)	(2)	(1)	(1)	(2)	(1)
Other	(2)	(1)	(2)	(2)	(3)	(1)	(2)
Total depletion, depreciation & amortization	\$ (49)	\$ (48)	\$ (48)	\$ (51)	\$ (51)	\$ (49)	\$ (51)
Special items	—	—	—	50	—	—	—
<b>Operating Income and Net Contribution to Earnings (GAAP)</b>	<b>\$ 840</b>	<b>\$ 1,338</b>	<b>\$ 517</b>	<b>\$ 516</b>	<b>\$ 1,182</b>	<b>\$ 863</b>	<b>\$ 344</b>

- Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.
- Adjusted EBITDA for each Wood Products business includes earnings on internal sales, primarily from the manufacturing businesses to Distribution. These sales occur at market price.

# ADJUSTED EBITDA RECONCILIATION

## Unallocated

\$ Millions	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Total Unallocated Adjusted EBITDA<sup>1</sup></b>	\$ (56)	\$ (84)	\$ (44)	\$ (68)	\$ (99)	\$ (33)	\$ (40)
Total depletion, depreciation & amortization	(2)	(1)	(2)	—	(2)	(1)	(2)
Special items included in operating loss	—	—	—	15	—	—	—
<b>Operating Loss (GAAP)</b>	\$ (58)	\$ (85)	\$ (46)	\$ (53)	\$ (101)	\$ (34)	\$ (42)
Non-operating pension and other post-employment benefit costs	(8)	(1)	(5)	(5)	(15)	(11)	(12)
Interest income and other	1	2	1	1	(1)	1	9
<b>Net Charge to Earnings (GAAP)</b>	\$ (65)	\$ (84)	\$ (50)	\$ (57)	\$ (117)	\$ (44)	\$ (45)

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

# NET DEBT TO ADJUSTED EBITDA RECONCILIATION

\$ Millions	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Net Debt to Adjusted EBITDA (LTM)<sup>1, 2</sup></b>	<b>1.5</b>	<b>0.9</b>	<b>0.7</b>	<b>0.8</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>
Total debt	\$ 5,475	\$ 5,250	\$ 5,250	\$ 5,099	\$ 5,053	\$ 5,053	\$ 5,053
Less: cash and cash equivalents	1,016	1,777	2,326	1,879	1,205	1,723	1,920
<b>Net Debt</b>	<b>\$ 4,459</b>	<b>\$ 3,473</b>	<b>\$ 2,924</b>	<b>\$ 3,220</b>	<b>\$ 3,848</b>	<b>\$ 3,330</b>	<b>\$ 3,133</b>
<b>Adjusted EBITDA (LTM)</b>	<b>\$ 2,889</b>	<b>\$ 4,076</b>	<b>\$ 4,077</b>	<b>\$ 4,094</b>	<b>\$ 4,490</b>	<b>\$ 4,122</b>	<b>\$ 3,959</b>
Depletion, depreciation & amortization	(467)	(470)	(473)	(477)	(481)	(480)	(481)
Basis of real estate sold	(106)	(96)	(67)	(71)	(75)	(90)	(86)
Special items in operating income	110	102	214	97	97	97	65
<b>Operating Income (LTM) (GAAP)</b>	<b>\$ 2,426</b>	<b>\$ 3,612</b>	<b>\$ 3,751</b>	<b>\$ 3,643</b>	<b>\$ 4,031</b>	<b>\$ 3,649</b>	<b>\$ 3,457</b>
Non-operating pension and other post-employment benefit costs	(289)	(280)	(276)	(19)	(26)	(36)	(43)
Interest income and other	5	5	4	5	3	2	10
<b>Net Contribution to Earnings (LTM)</b>	<b>\$ 2,142</b>	<b>\$ 3,337</b>	<b>\$ 3,479</b>	<b>\$ 3,629</b>	<b>\$ 4,008</b>	<b>\$ 3,615</b>	<b>\$ 3,424</b>
Interest expense, net of capitalized interest	(437)	(412)	(380)	(313)	(306)	(293)	(281)
Loss on debt extinguishment	—	—	—	—	(276)	(276)	(276)
Income taxes	(377)	(641)	(616)	(709)	(729)	(589)	(582)
<b>Net Earnings (LTM) (GAAP)</b>	<b>\$ 1,328</b>	<b>\$ 2,284</b>	<b>\$ 2,483</b>	<b>\$ 2,607</b>	<b>\$ 2,697</b>	<b>\$ 2,457</b>	<b>\$ 2,285</b>

1. LTM = last twelve months.

2. Net debt to Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Net debt to Adjusted EBITDA, as we define it, is long-term debt and borrowings on line of credit, net of cash and cash equivalents divided by the last twelve months of Adjusted EBITDA. See [Slide 23](#) for our definition of Adjusted EBITDA.



# FUNDS AVAILABLE FOR DISTRIBUTION RECONCILIATION

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION (\$ Millions)	2019	2020	2021	2022			
	FY	FY	FY	Q1	Q2	Q3	YTD
Net Cash from Operations	\$ 966	\$ 1,529	\$ 3,159	\$ 957	\$ 1,146	\$ 562	\$ 2,665
Capital Expenditures	(384)	(281)	(441)	(70)	(81)	(94)	(245)
<b>Funds Available for Distribution<sup>1</sup></b>	<b>\$ 582</b>	<b>\$ 1,248</b>	<b>\$ 2,718</b>	<b>\$ 887</b>	<b>\$ 1,065</b>	<b>\$ 468</b>	<b>\$ 2,420</b>
Cash from product remediation insurance recoveries	(68)	(8)	—	(37)	—	—	(37)
Cash tax refund associated with contribution to our U.S. qualified pension plan	—	—	(95)	—	—	—	—
<b>Adjusted Funds Available for Distribution<sup>2</sup></b>	<b>\$ 514</b>	<b>\$ 1,240</b>	<b>\$ 2,623</b>	<b>\$ 850</b>	<b>\$ 1,065</b>	<b>\$ 468</b>	<b>\$ 2,383</b>

1. Funds available for distribution (FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. FAD, as we define it, is net cash from operations adjusted for capital expenditures. FAD measures cash generated during the period (net of capital expenditures) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.
2. Adjusted funds available for distribution (Adjusted FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. Adjusted FAD, as we define it, is net cash from operations adjusted for capital expenditures and significant non-recurring items. Adjusted FAD measures cash generated during the period (net of capital expenditures and significant non-recurring items) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. Adjusted FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.